

State of Utah

DEPARTMENT OF NATURAL RESOURCES

MICHAEL R. STYLER
Executive Director

Division of Oil, Gas and Mining

JOHN R. BAZA
Division Director

or

December 3, 2012

CERTIFIED RETURN RECEIPT 7011 0110 0001 3568 4077

Velina Miller Quality Building Stone, Inc. 993 West 14730 South Bluffdale, Utah 84065

Subject: Review of Reclamation Surety, Quality Building Stone, Weston #1 Mine, S0070039,

Carbon County, Utah

Dear Ms. Miller:

The last surety estimate for the Weston #1 mine was done in 2005 and escalated to 2010 dollars. The bond amount was \$13,300 for three acres.

A representative of the Division of Oil, Gas and Mining inspected the site on April 4, 2012. During the inspection there was discussion of reclaiming the site or reducing the permitted area to one acre. Currently there is less than one acre of disturbance.

Based on the *current* Notice of Intention to Commence Small Mining Operations (Notice), the Division needs to escalate bond for a three acre site. The new bond amount would be as outlined below:

Small Mining Operation 5 Acres or Less

Project Size (Acres)	Surety 3 & 5 year escalation 2012	Comments
1 or less acres	\$7,900 (3-year escalation) \$8,100 (5-year escalation)	Minimum amount required
Additional acres up to 5 total acres	\$4,800/ acre (3-year escalation) \$4,900/acre (5-year escalation)	Partial acreages rounded up (e.g., 1.2 acres = 2 acres)
Cumulative Amount for 3 acres	\$17,500 (3-year escalation) \$17,900 (5-year escalation)	\$400 difference between 3 and 5 year escalation amount for 3 acres of disturbance.

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The surety amount would be considered adequate if the Notice is amended to show one or two acres of disturbance. For one acre the amount would be \$7900 or \$8100, and for two acres the amount would be \$12,700 or \$13,000.

No later than January 21, 2013, please provide one of the following:

- 1. Additional surety to increase the total to \$17,500 or \$17,900; or,
- 2. An amendment to the Notice decreasing the permitted acreage to one or two acres.

Please contact Penny Berry at 801-538-5291 or by e mail at <u>pennyberry@utah.gov</u> for information about increasing the surety. Questions about amending the Notice should be addressed to Wayne Western at 801-538-5263 or by e mail at waynewestern@utah.gov.

Thank you for your help in keeping the surety and the Notice current. Any other questions can be addressed to me at 801-538-5261 or paulbaker@utah.gov.

Sincerely,

Paul B. Baker

Mining Program Manager

PBB:whw:pb

cc: ggochnour@blm.gov

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